

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 2067 - HB 2328**

March 12, 2014

**SUMMARY OF BILL:** Creates a pilot program that will authorize students without lawful immigration status to pay in-state tuition rates at the University of Memphis, Southwest Tennessee Community College, and the Tennessee College of Applied Technology Memphis. Students shall meet certain eligibility requirements including attending high school in Tennessee for at least two years; graduating from a Tennessee high school or attainment of an equivalent diploma; registering as a student or be enrolled at a one of the three aforementioned higher education institutions; and filing an affidavit with the institution stating that the individual has filed a citizenship application to attain lawful status. Requires the three institutions to report annually on February 1 to the Tennessee Board of Regents (TBR); the Speakers of the General Assembly, respectively; and the Chairs of the Education Committees of the General Assembly, respectively. The pilot program will commence in the 2014-2015 academic year.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Net Impact –**  
**\$37,500/FY14-15/TBR Institutions**  
**\$39,800/FY15-16/TBR Institutions**  
**Exceeds \$39,800/FY16-17 and Subsequent Years/TBR Institutions**

**Assumptions:**

- Tennessee Colleges of Applied Technology do not charge out-of-state tuition.
- TBR estimates that there are four currently enrolled students that would be eligible for this program; with two students attending a TBR university and two students attending a community college.
- The current difference between in-state and out-of-state tuition at TBR universities is \$15,347 and is \$10,962 at TBR community colleges.
- The decrease in revenue to TBR for currently enrolled students would have been \$52,618  $[(\$15,347 \times 2) + (\$10,962 \times 2)]$  if this legislation had been in place for the FY13-14 academic year.
- Tuition will increase in FY14-15 and subsequent years by an average of six percent; therefore, the decrease in state revenue to TBR in FY14-15 is estimated to be \$55,775

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(\$52,618 x 106%); in FY15-16 is estimated to be \$59,122 (\$55,775 x 106%); and in FY16-17 and subsequent years is estimated to exceed \$59,122.

- TBR estimates that nine additional students will enroll annually at a TBR university and community college.
- The in-state tuition rate at a TBR university is currently \$6,274 and is \$3,504 at a community college.
- The increase in state revenue to TBR would have been \$88,002 [(\$6,274 x 9) + (\$3,504 x 9)] if this legislation had been in place for the FY13-14 academic year.
- With an average six percent increase in tuition annually; the increase in state revenue to TBR in FY14-15 is estimated to be \$93,282 (\$88,002 x 106%); in FY15-16 is estimated to be \$98,879 (\$93,282 x 106%); and in FY16-17 and subsequent years is estimated to exceed \$98,879.
- The net increase in state revenue in FY14-15 is estimated to be \$37,507 (\$93,282 - \$55,775); in FY15-16 is estimated to be \$39,757 (\$98,879 - \$59,122); and in FY16-17 and subsequent years is estimated to exceed \$39,757.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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